

Built Environment Forum Scotland (BEFS) is an umbrella body for organisations working in the built environment in Scotland. Drawing on extensive expertise in a membership-led forum, BEFS informs, debates and advocates on the strategic issues, opportunities and challenges facing Scotland's historic and contemporary built environment.

BEFS would stress that our existing built environment is the most sustainable building resource we have. The embodied energy present, and the potential for positive interventions is huge. Adapting and reusing these buildings, and considering our wider environment within the policy related to Energy schemes, presents an enormous opportunity to provide climate solutions, solutions which benefit people and place.

Much has changed since the publication of the consultation paper in December 2019, mostly in relation to the Covid-19 Epidemic; but also with the Infrastructure Commission's Recommendations and the work on the Climate Change Bill.

Whilst this consultation is clear that, "improving the energy efficiency of Scotland's buildings has been a national infrastructure priority since 2015", when examining Scottish Government consultations (such as the Circular Economy consultation) there is a lack of expression that the buildings themselves need to be considered as both essential infrastructure (as recommended by the Infrastructure Commission) and that our built environment can play a major role in the circular economy. Both of these factors need to be borne in mind when considering future energy efficiency measures.

Principles which will be repeated throughout this consultation response will focus on: well-maintained buildings being the first step to safer, warmer homes; the EPC ratings being assessed and applied accurately for building type; and adaptations being appropriate for the health of both the occupants and the building in question.

It is also appropriate to draw attention to BEFS consultation response in relation to [Housing to 2040](#) – many issues overlap and demand associative consideration.

In light of other work done – it would be best to remain mindful of attitudes, such as those reported from the [Big Climate Conversation](#).

*Improvements to insulation was brought up most often as being the most prohibitively expensive energy efficiency measure and there was a sense of frustration amongst some participants who had already attempted some of the changes but had not yet experienced tangible benefits. Participants therefore felt demotivated to continue making changes and were reluctant to invest a large amount of money without a better guarantee of return.*

**Q1. Do you agree or disagree that there should be a legally-binding energy efficiency standard for owner occupied housing?**

BEFS is supportive of a tenure blind approach to energy efficient improvements.

**Q2. Do you agree or disagree that EPC Energy Efficiency Rating band C is the appropriate standard to use? Please explain.**

The aspiration is excellent. BEFS would however emphasise that there are many buildings currently assessed as not able to achieve a band C. These homes should not be condemned to obsolescence and future potential demolition. A building may be able to achieve an EPC band D and have 200 years of use left, not to speak of the embodied energy its many years of service may already have demonstrated. To potentially remove this stock from the housing available, and ultimately make it liable to be demolished, due to EPC rating/rating potential and replace it with buildings of a far shorter design life (of 30/40 years) is a strategy flawed from both a financial and carbon perspective.

An aspiration to achieve band C will need appropriate exemptions, therefore, to be workable. BEFS would also suggest that parallel to this there was a clear revisiting of how current building stock is assessed in relation to EPC standards and their application in relation to pre-existing homes.

Annex A is clear about the potential concerns around current SAP methodology in relation to renewable energy and low carbon heating sources. There is even discussion around SAP changing in relation to these factors. However, this annex does not include the well-known concerns around building assessment in relation to the EPC. There is a wider issue in the need to examine SAP in relation to revising values and archetypes for traditionally built buildings, for example related to solid walls, and other measures which can be taken in relation to window shutters, chimney balloon, curtains etc. These are currently not taken into consideration as they can be removed – however low-energy lightbulbs are taken into consideration, which demonstrates a lack of consistency.

If changes can be suggested in relation to new technologies, it would only be fitting to suggest changes in relation to traditional measures too.

**Q3. What are your views on the “fabric first” approach described above?**

BEFS is hugely supportive of this approach. Without a well-maintained, wind and water-tight home – other ‘improvements’ are inefficient, uneconomical, and will give results far below the expected outcomes. BEFS has been working as Secretariat for the Cross Party Group on Tenement Maintenance; current recommendations from the group have been directed by the Scottish Government to the Scottish Law Commission. Enabling maintenance for tenemental properties will assist with the drive for better energy efficiency. More information on the Recommendations, and the work of the Group, is available here: <https://www.befs.org.uk/policy-topics/buildings-maintenance-2/>

**Q4. In your view, how can we ensure that when EPCs are used to determine compliance with the standard, they are robust and not easily open to misuse?**

Only if EPCs are being accurately assessed and accurately applied to all building types (including pre1919 traditionally built properties) will any level of compliance be appropriately known. This application will need a degree of appropriate skilling for assessors – and the audit bodies involved.

**Q5. Do you think the standard should be fixed, or should it be subject to periodic review and change over time? Please explain your view.**

Whilst it may be frustrating to those currently implementing measures to improve the standards of their buildings, as technology improves and changes it is only fitting to review and reassess standards where applicable. BEFS would hope that a greater understanding of how the EPC ratings could/should be applied to traditionally built buildings would also be reviewed over this period.

**Q6. Do you agree/disagree that 2024 is the right date for the mandatory standard to start operating? Please give your reasons.**

In regard to ESS in Social Homes BEFS supported, “The new 2032 milestone indicates a shift in the framing of the standard to a milestone which maximises attainment rather than 100% compliance. This will require a new approach which recognises that for certain landlords less than full attainment for all stock of the new milestone will not be failure, provided all reasonable efforts have been undertaken to improve the energy efficiency of their stock.”

A similar milestone approach to owner occupied homes may allow for additional data to be gathered about non-traditional and traditionally built housing stock which can then inform and enhance the understanding of the EPC rating assessment system.

BEFS would reiterate that technological developments are a positive and necessary step – but emphasis also needs to be placed on human behaviour, including owner education.

As well as ‘new’ technology, traditional building methods and forms of energy efficiency also need to be taken into account when considering appropriate methods to enhance/upgrade/improve the EPC ratings for traditionally built properties.

For social homes, Air Quality was considered an issue – and BEFS supported the Historic Environment Scotland (HES) response that - *Including a review based on air quality is vital to the long-term success of the standard. However, this must be widened to include not just air quality but condensation, mould growth and damage to building fabric. In order to make such a review robust detailed inspections of a range of building types which have been retrofitted to meet EESSH2 will need to be carried out. There is a question here also as to why the principle of “no detriment to air quality” will only apply from 2025, this should already apply to retrofit and should also include mould growth and damage to building fabric.*

These principles should apply to owner occupied homes as well as social homes. BEFS reiterates that changes to EPC would be useful in accurately assessing ALL buildings. And supports the statement from HES [originally made in relation to ESSH2] that:

*Regarding targets, mould growth, human health, condensation and building fabric deterioration should be central to the review process and should be regarded as more important than EPC bands achieved, not an adjunct to this.*

**Q7. Do you agree or disagree with point of sale as an appropriate trigger point for a property to meet the legally binding standard?**

With regard to the caveats above in relation to the setting of the legally binding standard, the point of sale appears to be an appropriate trigger.

However, whilst many technological developments and interventions have standardised outcomes, much energy use is based on behaviours not just energy efficiency. Different owners may require different interventions to better suit their way of living (numbers/age of residents). How this is taken into account at sale – may make any interventions more suited to being taken-on by the buyer, rather than the seller. This also avoids the scenario where, as a seller, there is not the incentive to make high-quality, building-appropriate interventions when the cheapest ‘solutions’ may theoretically meet the EPC C rating standards.

**Q8. Do you agree or disagree that responsibility for meeting the standard should pass to the buyer if the standard is not already met at point of sale, as described above? Explain views and give any evidence you may have.**

Buyers regularly take on liabilities in relation to building condition. This would, as is stated in the paper, be a commercial transaction agreed through conveyancing.

The time-limit suggested of 12 months may be difficult to meet depending on what skills are necessary to raise the EPC appropriately.

**Q9. What, if any, unintended consequences do you think could happen as a result of these proposals? Eg any positive/negative effects on the housing market?**

Any additional liabilities and related costs will only continue to additionally privilege those able to afford the property and the related liabilities.

**Q10. Do you agree/disagree with point of major renovation as an appropriate trigger point for a property to meet the legally-binding standard?**

As defined below. There seems to be no reason to not include this as an additional trigger point.

**Q11. What is your view on how “major renovation” should be defined? Should the EP of Buildings Directive definition, as described in Annex B, be used?**

The definition included at Annex B in relation to EPBD seems of appropriate scale that owners should be required to consider their renovations in relation to energy performance.

**Q12. How could a requirement to meet the EE standard at point of major renovation be checked and enforced? Who should be responsible for this?**

Without the need for a building warrant it would be extremely difficult for this to be assessed and enforced. For a major renovation the local planning authority and building standards team would seem to be where the burden was most likely to fall. These teams would need to be appropriately resourced.

**Q13. What do you think would be a fair and appropriate method to ensure compliance, if the legally-binding standard is not met? What type of penalty system would be appropriate? Explain.**

Penalties are questioned here, but not incentivisation. Incentivisation could be centrally controlled and applied based on set criteria. Penalties rely on those ensuring compliance being resourced to enforce, which could prove problematic.

**Q14. Should a penalty for failing to comply with the standard be one-off or recurring?**

No response given

**Q15. At what level, approximately, should any penalty be set?**

No response given

**Q16. Are there any particular groups of people who could be adversely affected, more than others, by the enforcement process and charges?**

Older owner occupiers, particularly those making major renovations to enable them to stay in their own home during a period of disability. The additional costs may be prohibitive.

Owner occupiers with low income, but perhaps an older, larger property in need of greater measures to meet the required EPC levels, but without the means to make such changes prior to sale.

**Q17. Which body or bodies should check if the standard has been complied with at the trigger point, and should be responsible for levying any penalty?**

No response given

**Q18. Considering the information above and in Annex D, what are your views on the best way to approach cost effectiveness, taking into account the trade-offs between how easy to understand and how sophisticated different definitions are, and how the different definitions might affect the number of homes that actually achieve the EPC C standard?**

Should a different approach to cost-effectiveness be taken with owner-occupied homes and those home owned by landlords? Any deviation would be difficult to assess – as on sale some homes would move between the two tenures. And deviation would also be difficult for communication from businesses and installers involved in up-grading properties to meet EPC ratings.

Whilst there are challenges to all the approaches mentioned, particularly the pay-back tests where expectation and reality are not always aligned. Whilst a crude instrument, a cost-cap (taking into account a package of works) seems like the easiest approach to communicate and assess.

**Q19. Other than technical feasibility and cost effectiveness, are there any other reasons why a homeowner may not be able to bring their property up to EPC C at point of sale or renovation, and would need to be given an exemption or abeyance? (For example, difficulties of getting permission from other owners for common parts of buildings.) Please explain.**

With regard to the issue of cost-effectiveness, BEFS would reiterate HES' response previously given to the EES 2018 Consultation:

*A definition of cost effective as one which pays for itself in the lifetime of the measure makes sense. However, this requires accurate data on the expected lifetime of a measure which is produced independently of material manufacturers. If this is to be the measure of whether an energy efficiency measure is to be considered cost effective fresh independent analysis of the payback times will be required. It is worth noting that if this is the definition of a cost effective measure double glazing is unlikely to be included in applicable measures. There is no question in the consultation regarding the technical feasibility of measures. The proposal states that "a new assessment, building on the EPC process, should be developed to identify what is technically feasible". Whilst this is certainly to be welcomed, the question here is who will develop this assessment and who will undertake it? Current EPC assessors are not on the whole qualified to carry out such a detailed technical feasibility assessment. Considerable training will be required if this commitment is to be met with input from specialists in a wide range of measures and building types.*

As mentioned previously, the current EPC assessments and ratings do not appreciate the variation and fabric types of pre1919 buildings of numerous kinds.

With relevance to this question, BEFS responded within the Housing to 2040 consultation as follows:

Principle 7 – The statement within this principle that, "Homes that cannot reasonably be adapted to meet the standards (taking account of technical feasibility and cost effectiveness) are considered for demolition or are repurposed." should be treated with extreme caution. EPC ratings do not, at present, accurately rate many traditionally built properties. Assessment and adaptation measures are not currently widely understood and the skills are not yet universally present to adapt appropriately. These factors make the cost of some adaptations for traditional buildings appear prohibitive. Until these factors are address adequately too many properties could be considered for demolition needlessly. The embodied carbon also needs to be taken into account.

With regard to common parts of a property, such as tenemental property – these are not currently part of the home report in relation to the EPC Rating – is this to change?

In relation to improving the situation for home-owners with communal parts to their properties, BEFS, through the Cross Party Group on Tenement Maintenance, has been working with the Scottish Government on measures to improve this situation.

**Q20. Do you agree or disagree that, even if a property can't fully meet the standard, it should be required to get as close as possible to it?**

Where accurate assessment could take place, and adequate exemptions were made in regard to some Categories of Listed Buildings (case by case basis), BEFS believes all homes should be well maintained, and as energy efficient as is possible for the building type. Taking into account resident health, building health, and appropriate measures of cost-effective interventions suitable to building type.

**Q21. Do you agree or disagree that any exemptions or abeyances from the standard should be time-limited?**

This depends on why the exemptions or abeyances were made. For a very limited number of historic buildings any intervention may not be appropriate.

But, as technology changes exemptions and abeyances may need to be reconsidered.

**Q22. Which body or bodies should take decisions about granting abeyances? Should this be done at a local level or centrally at a national level?**

Local Authority planning, Building Control and organisations with a national mandate for the built environment, such as Historic Environment Scotland – should all play a part in these decisions depending on building type and the interventions being considered.

**Q23. The SLWG on Assessment propose that any new assessment regime should exist on two levels, comprising both a mandatory assetbased assessment and an optional occupancy-based assessment. What are your views on this approach? Do you agree that an occupancy assessment should be optional? Are there specific inputs that should be included in both? Please explain your answer.**

The recommendations from the SLWG are to be supported. Many inputs that BEFS would wish to be included have already been considered.

Occupancy based assessment is an important part of owners and individuals understanding behaviour links to energy use reduction. However, they should remain optional. The interventions in the property will remain and hopefully continue to provide benefits to all future owners/residents regardless of their use patterns.

**Q24. The SLWG on Assessment propose that the output of the assessment should be a report with tailored recommendations that set a clear pathway to both regulatory compliance (i.e. EPC band C) and zero carbon. There are conflicts between meeting the EPC rating and zero carbon. What are your views on how this can be handled/mitigated? Please explain your answer.**

As technology develops and our understanding of both energy use, and the embodied energy within our existing built environment grows, these conflicts may decrease.

Any conflicts existing should be explained clearly and the most current legislation abided by.

**Q25. The new assessment proposals from the SLWG on Assessment include more of an advisory role for the assessor. What are your views on the additional skills and training required to deliver this role? Are existing Domestic Energy Assessors best placed to provide the tailored recommendations? What risks and conflicts do you foresee and how would you propose to mitigate them? Please explain your answer.** Skills: Adaptation measures and behaviours are clearly detailed within the document but the associated skills and training to enable the delivery of these Adaptations are not present. How alignment of skills and actions is to be made possible should be detailed, for Adaptation of any kind to be successful the appropriate skills being available is paramount.

Training needs to start now – we incentive the teacher training programmes, why not the trades and traditional building skills? The scale of the market should be a great incentive for SME investment and training – evidence within previous EES report states: There are approximately 930,000 owner occupied dwellings with an EPC below C which will require upgrading over the next 10- 20 years, depending on the time horizon specified. (And these are only the owner-occupied dwellings!)

Appropriate legislation needs to be in place to ensure correct standards and building typology understanding are in place to protect consumers and our built environment from incorrect application or misapplication of technologies and techniques.

**Q26. The SLWG on Assessment propose that the tailored recommendations to improve energy efficiency and achieve zero carbon should consider the legal designation of buildings, obvious defects or condition issues, and local costings. Do you foresee any liability issues in this approach and if so, what suggestions do you have to mitigate them? Do you believe the inclusion of local costings to be practical and what are your thoughts on what level should be considered ‘local’? Should the local cost of energy also be considered? Please explain your answer.**



The liabilities related to these recommendation, would appear to be the same as any other building survey liabilities. To mitigate some concerns, assessors will need to rely on standardised data, collected and held nationally, to demonstrate appropriate comparators on which to base advice and costings indications. Local costs for both energy and interventions can give a clearer indication to any owner of the realistic choices they can make.

Local could be standardised by Local Authority area – difficult for some larger areas, but will give a picture that at least includes the main challenges for that area – particularly if those challenges are geographic.

**Q27. The SLWG on Assessment propose that the assessment should provide a theoretical indication of whether recommendations are technically feasible. Please provide your views on who should determine actual technical feasibility? Should this be a qualified installer or someone else? Please explain your answer.**

Technical feasibility is an area where depending on building type and assessor skills and knowledge additional professional expertise may be required. This could include (but is not limited to): conservation skills, architectural skills, archaeological skills, engineering skills and planning skills.

Whilst the interventions considered here are discussed in relation to a particular outcome (Energy use Reduction and meeting EPC C), the individual projects will be as unique as all projects related to buildings ever are – some will be standard, others will need greater input and expertise.

**Q28. In your view, what are the most important considerations for homeowners who are required to meet the legally-binding standard, in relation to skills, supply chain, consumer protection and quality assurance?**

No response given.

**Q29. What are your views on how the Quality, Skills and Consumer Protection SLWG recommendations specifically have an impact on the owner occupied sector? Please explain.**

The suggestions related to a ‘quality mark’ and expansion of the accreditation schemes and frameworks to become more robust as the market expands seem prudent suggestions. However, for any schemes to be effective these steps need to be in place before legally-binding energy compliance ratings are in place.

Without consumer protection and quality assurance in place – quality of advice as well as of building fabric intervention – it will be difficult to ensure owners are willing to comply with legislation. Energy efficiency measures being mis-sold, and a miss-match between expected savings and reality, as well as changes to national schemes over the years (feed-in tariffs for PVs) has left many consumers with a sense of wariness.

**Q30. In your opinion, is this the right range of Scottish Government financial support schemes? Are there any gaps, regarding either types of financial product or groups of people who may be excluded from being able to access products? Please explain your views.**

Government purchase power for its own and related estates could do much to reduce the cost of many potential interventions and technologies. This purchase power, to reduce the cost-per-unit for all potential buyers would be a huge intervention in changing the marketplace.

Incentives for early adopters, reduced costs could help to stimulate the market and provide installers with work initially – helping to provide work for those trained.

**Q31. Do you agree or disagree that grant funding from the public purse should be focused on households who are vulnerable or in fuel poverty? Please explain if you disagree.**

No response given.

**Q32. In your opinion, what sources of non-government, private sector support are people most likely to want to access? (eg from banks, building societies, credit unions, mortgage providers)**

No response given.

**Respondent Information:**

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Responding on behalf of an **Organisation - BEFS** (Built Environment Forum Scotland)

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We will share your response internally with other Scottish Government policy teams who may be addressing the issues you discuss. They may wish to contact you again in the future, but we require your permission to do so. Are you content for Scottish Government to contact you again in relation to this consultation exercise? **YES**